



11th February, 2019

TL19/1102/1A

Vice Chancellor,
University of Sindh,
Jamshoro.

Sub: Complaint Received against University of Sindh, Jamshoro Regarding Violation of SPPRA Rules in the Award of Contract against the Tender for Health Insurance of the Employees of University of Sindh, Jamshoro.

Transparency International Pakistan has received a complaint against University of Sindh, Jamshoro regarding violation of SPPRA Rules in the Award of Contract for Health Insurance of the Employees of University of Sindh, Jamshoro.

The complainant has made the following allegations;
That;

1. The University has held negotiations with the awardee after opening of bids under Rule No. 52 and 83.

TI-Pakistan's observation is that it is a violation of SPPRA Rules 2010, Rule No. 52. Stated as under;

***52. Bar on Negotiations** - Save as otherwise provided there shall be no negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder.*

Rule No. 83 is regarding Public Private Partnership whereas that tender does not fall under Public Private Partnership.

2. The University of Sindh has awarded the contract to Jubilee Life Insurance on the basis of Rule No. 16:- "*Alternate Methods of Procurements*", Section E, 'Repeat Order'. Repeat Order can only be used at the time of Renewal or Extension of a Current running contract.

TI-Pakistan's observation is that it is a violation of SPPRA Rules 2010, Rule No. 16 (e)(i), Repeat Orders cannot exceed 15% of the original contract amount. Stated as under;

***16. Alternate Methods of Procurements** (1) A procuring agency may utilize following alternative methods of procurement of goods, services and works, namely:-*

(e) Repeat Orders – means procurement of additional quantities of the item(s) from the original contractor or supplier, where, after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme; Provided that; (i) the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount; and



3. University of Sindh, Jamshoro has put difficult conditions to favor a particular bidder.

TI-Pakistan's observation is that it is a violation of SPPRA Rules 2010, Rule No. 44. Stated as under;

44. Discriminatory and difficult conditions - Save as otherwise provided, no procuring agency shall introduce any condition which discriminates among bidders. In ascertaining the discriminatory nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.

4. The tender was for health insurance of University of Sindh employees and dependents numbering 15, 000 plus lives which after negotiated was reduced to 11,000 lives.

The procuring agency cannot change the quantities after the bid has been opened.

Vice Chancellor, University of Sindh is requested to kindly examine the complaint, and if found genuine direct the concerned department to re-invite the tender as per SPPRA Rules and take necessary action against all those officers involved in corrupt practices.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

Justice Zia Perwez
Former Judge of Supreme Court of Pakistan and High Court of Sindh
Trustee- TI-Pakistan

Copies forwarded for the information with request to take action under their mandate to:

1. Chief Minister, Government of Sindh, Karachi.
2. Chief Justice, Sindh High Court, Karachi
3. Director General, NAB, Karachi.
4. Chief Secretary, Government of Sindh, Karachi.
5. Managing Director, SPPRA, Karachi.